

BRD GROUP RESULTS

1st quarter 2024 | 07.05.2024

DISCLAIMER

The preliminary consolidated and separate financial position and income statement for the period ended March 31, 2024 were examined by the Board of Directors on May 2, 2024.

The financial information presented for the period ended March 31, 2024 and comparative periods has been prepared according to IFRS as adopted by the European Union and applicable at this date.

This financial information is at group level, does not constitute a full set of financial statements and is not audited.

This presentation may contain forward-looking statements relating to the targets and strategies of BRD, based on a series of assumptions. These forward-looking statements would have been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. BRD may be unable to anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences, and to evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document.

Investors and analysts are advised to take into account factors of uncertainty and risk likely to impact the operations of BRD when considering the information contained in any such forward-looking statements. Other than as required by applicable law, BRD does not undertake any obligation to update or revise any forward-looking information or statements.

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INTRODUCTION



GRUPE SOCIETE GENERALE

EXCELLENT COMMERCIAL START OF THE YEAR

Growth of lending activity exceeding market pace

Lending on corporate segment maintains a healthy momentum, on both SMEs and large companies, building on dedicated sectorial coverage, long-term relationship and sound market reputation

Record level of new loans granted to individuals

BRD, further acting to promote sustainability transitions

Steadily expanding deposit base

Further increased penetration of e-banking application

Growth of GOI, pushed by volumes expansion and controlled costs

Sound asset quality

NPL ratio remains very low; comfortable NPL coverage

Risk costs' evolution reflecting a closer to "through the cycle" level

High profitability with ROE of ~15%

Portfolio growth **+12.3% y/y** at Mar 24 end

Corporate loans **+20.4% y/y** at Mar 24 end

RON 2.3 bn individuals loan production in Q1 24

Landmark SRT transaction with IFC on a corporate portfolio of **EUR 700m**, incl **ESG redeployment** commitment for **>300 MEUR**

Deposits, up **+13.3% y/y** at Mar 24 end

~1.5m users of YouBRD at Mar 24 end

7.2m no of transactions in Q1 24, **+24% y/y**

GOI, **+6.5% y/y** in Q1 24

NPL ratio

2.1% at Mar 24 end

Coverage ratio

76.4% at Mar 24 end

NCR **RON -54m** vs. RON -9m in Q1 23

Net profit **RON 326m** vs RON 342m in Q1 23

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MACROECONOMIC ENVIRONMENT



SLOWDOWN OF ECONOMIC ACTIVITY, INFLATION BACK ON DOWNWARD TREND

Economic growth lost momentum within an European context

... reflecting elevated inflation, tighter monetary and financial conditions, and weakening global demand

EU GDP growth at 0.5% y/y in 2023

RO remained one of the fastest growing economies in EU. GDP expanded by 2.1% in 2023 (vs. 4.1% in 2022) with investment, supported by EU funds, replacing consumption as leading growth driver

2.75% estimated GDP growth in Romania in 2024 according to IMF

Easing inflation

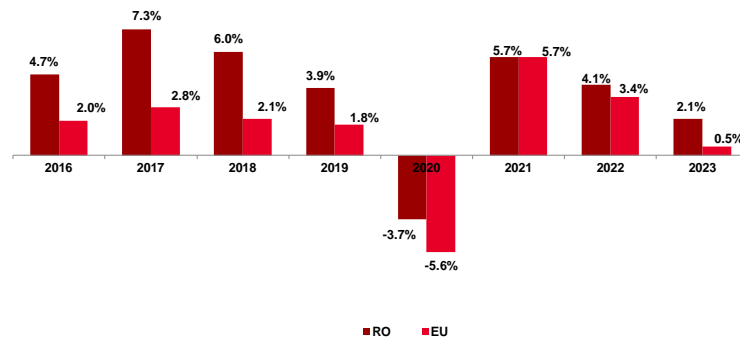
Euro area inflation printed lower than expected, at 2.4% in March 2024

After the step-up at the onset of the year, given the increase and introduction of some indirect taxes and charges, RO CPI returned to 2023-year end level (6.6% in Mar 24)

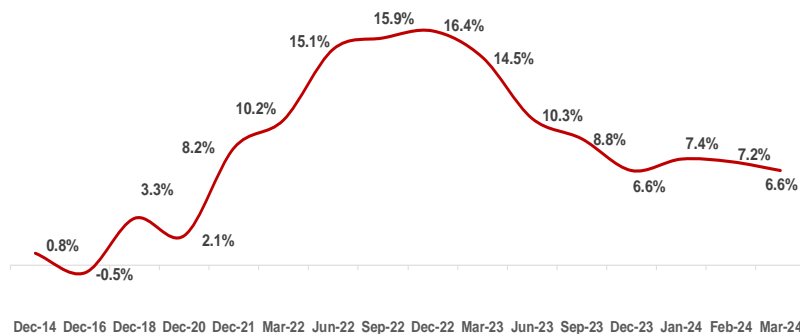
Inflation is expected to continue its downward trend, paving the way for rate cuts

NBR estimates place inflation at 4.7% in Q4 24 and 3.5% in Q4 25

GDP GROWTH



INFLATION RATE



Source: BRD Research, NBR reports

QUASI STABLE INTEREST RATES , STILL HIGH MARKET LIQUIDITY

NBR in expectation with the easing rate cycle

With still high core inflation, uncertainties surrounding fiscal consolidation and short-term wage pressure, key policy rate was maintained at 7% during the first three months of 2024...

...positive inflation data in Mar 24, provide confidence for near term rate cuts

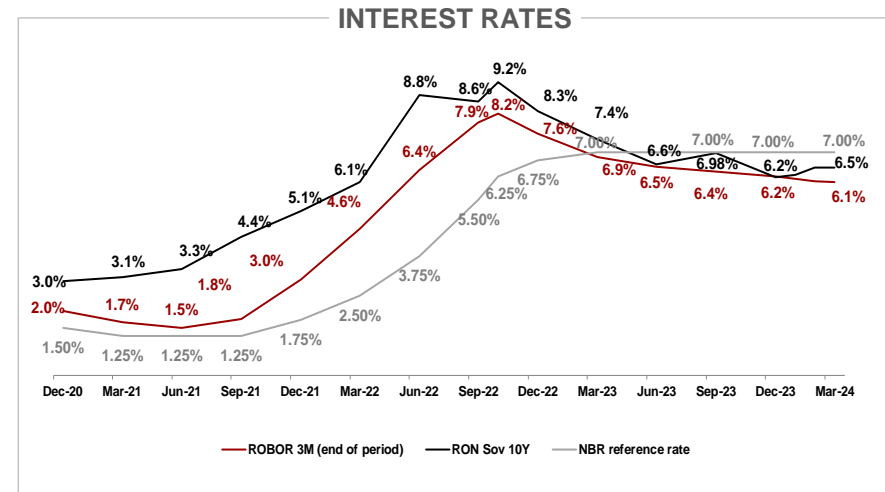
Liquidity still abundant

Although decreasing from the record high of almost RON 61 bn (daily avg) in Jan 2024, the highest level since 2012, interbank liquidity maintained elevated, reaching RON 45 bn (daily avg) in Mar 24

Quasi stable rates in the money market

After its peak of 8.2% in October 2022, ROBOR 3M gradually reduced during 2023, towards 6% currently

Government securities yields show higher, though not significant, volatility in an international context



Source: BRD Research, NBR Monthly reports

SOLID BANKING SECTOR, SOUND LEVELS OF PRUDENTIAL INDICATORS

Strong capital and liquidity positions, ratios remaining above EU average

Capital adequacy ratio at 22.5% at December 2023 end, compared to 23.4% at 2022 end (vs.13.8% at 2007 end), maintaining above EU average (19.9% at December 2023 end)

Loan to deposit ratio at 67.8% at December 2023 end, lower vs 2022-year end level (71.4%), amid higher deposits growth pace

Average liquidity coverage ratio, 290% at February 2024 end, improving from 281% at December 2023 end, well above regulatory requirement (100%) and EU average (167% at December 2023 end)

Asset quality remained robust

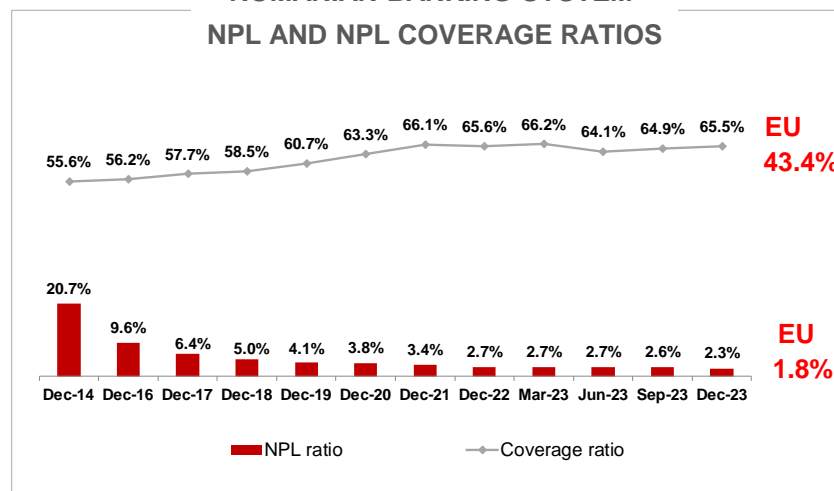
NPL ratio, 2.4% at February 2024 end, marginally up vs 2023 end

NPL coverage ratio standing high at 65.5% at 2023 end (65.4% at 2022 end), well above the EU average (43.4% at 2023 end)

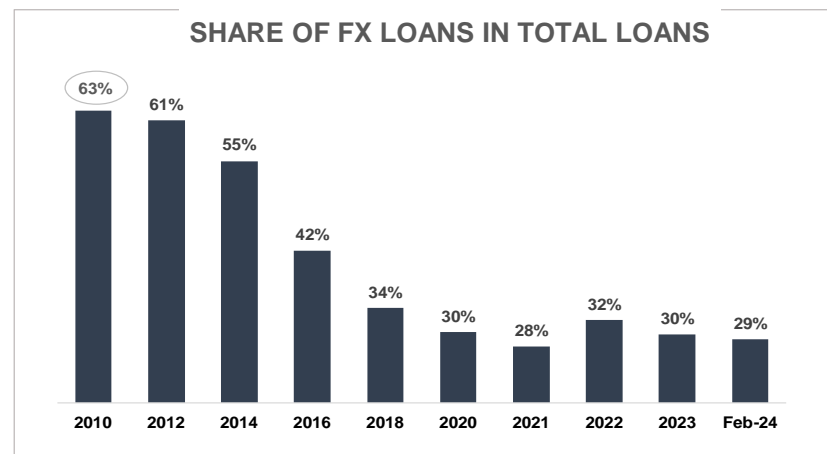
NPL ratio and NPL coverage within EBA defined low risk bucket (NPL ratio <3% and NPL coverage > 55%)

Back to a gradually decreasing share of FX loans as RON-EUR interest rate gap narrowed

ROMANIAN BANKING SYSTEM
NPL AND NPL COVERAGE RATIOS



ROMANIAN BANKING SYSTEM
SHARE OF FX LOANS IN TOTAL LOANS



Source: www.bnr.ro, www.eba.europa.eu (EBA Risk Dashboard, data as of Q4 2023)

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**1ST QUARTER 2024
BRD GROUP RESULTS**



GRUPE SOCIETE GENERALE

REMOTE CHANNELS ADOPTION MAINTAINS HIGH MOMENTUM



FURTHER INCREASED USAGE OF E-CHANNELS

~1.5m YouBRD users at Mar 2024 end, **+28% y/y**

7.2m nb of transactions via YouBRD, **+24% y/y** vs Q1 23

77% of deposits & **89%** of savings accounts opened directly in YouBRD, during Q1 24

97% of large corporate clients' and **96%** of SME's transactions performed via digital channels during Q1 24

59% of import L/Cs and **52%** of LGs processed through the trade finance client interface during Q1 24

65% of FX trades processed through e-tools during Q1 2024

65m acquiring transactions during Q1 24, **+21% y/y**

HIGHLY REACTIVE CUSTOMER INTERACTION CENTER

98% of calls handled (vs 94% in Q1 2023)

91% calls answered in the first 30" (vs 70% in Q1 2023)

8" average time for taking a call (vs 32" in Q1 23)

Intensified packages sale



ENHANCED DIGITAL JOURNEY



Q1 2024 highlights

Visualization, buying or selling investment funds, directly from YouBRD web platform

Share IBAN, copy account no, receive in-app reminders to enable push notifications via device settings



NETWORK OPTIMIZATION

Reduced nb of branches **-60 y/y**, to **391** at Mar 24 end
-52% versus 2016 end

Expanded cashless approach

201 24/7 banking points,
+26% y/y at Mar 24 end
>50% of branches

LENDING GROWTH ACROSS ALL SEGMENTS

Corporate lending maintained good rhythm, with high double digit growth pace on both SMEs and large companies

- ✓ outstanding loans, +26.9% y/y at Mar 2024 end on SMEs and +16.9% y/y on large corporates
- ✓ consistent demand for leasing financing, with net outstanding increasing by +20.3% y/y as of Mar 24 end

BRD, acting for sustainability transitions

> EUR 970m cumulated sustainable financing over the last 3 years

Landmark SRT transaction with IFC on a corporate portfolio of EUR 700m, with ESG redeployment commitment for >300 MEUR

Loan production on individuals taps record levels

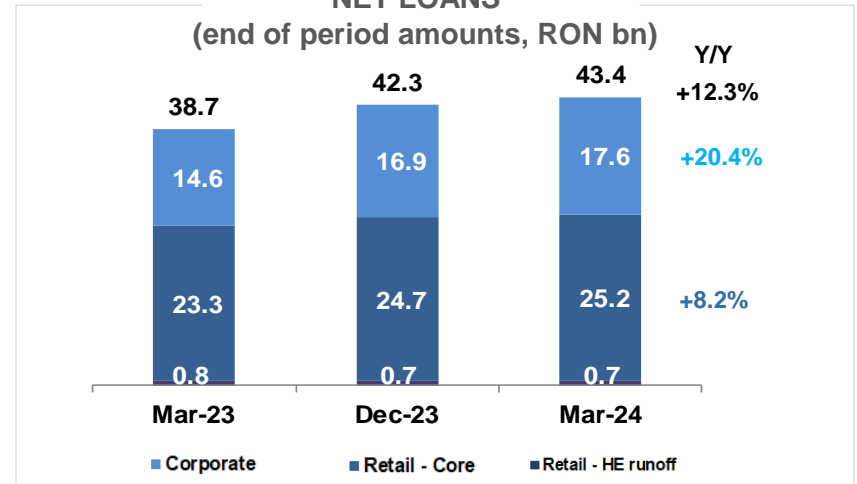
New loans granted to individuals, RON 2.3 bn in Q1 24, +48% y/y

Best quarter for new consumer loans, with an impressive growth of +51% y/y in Q1 24

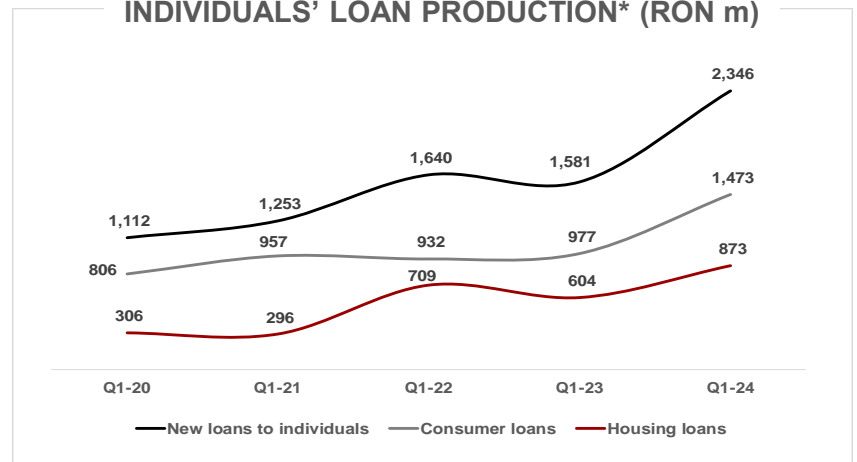
Remarkable dynamic for new housing loans, both in value (+45% y/y in Q1 24) and in number (+32% y/y in Q1 24)

Core retail net loans outstanding up +8.2% y/y, underpinned by both individuals and small business

NET LOANS (end of period amounts, RON bn)



INDIVIDUALS' LOAN PRODUCTION* (RON m)



* Standalone

EXPANDING, ROBUST AND DIVERSIFIED DEPOSIT BASE

Consistent growth in deposit volumes

Most stable and ample funding source, retail deposits, in constant growth, +12.0% y/y at March 2024 end, building on strong collection of individuals term deposits

Corporate deposits advance, +15.8% y/y at Mar 24 end, driven by higher net inflows from both:

- ✓ large corporate clients, +17.9% y/y
- ✓ SMEs clients, +12.8% y/y

Robust liquidity foundation

Net loan to deposit ratio at 69.0% at Mar 24 end, quasi stable on a yearly basis (69.5% at Mar 23 end)

High liquidity buffer at 33% of total assets, mainly composed of government bonds

Diversified saving products portfolio

BRD Asset Management

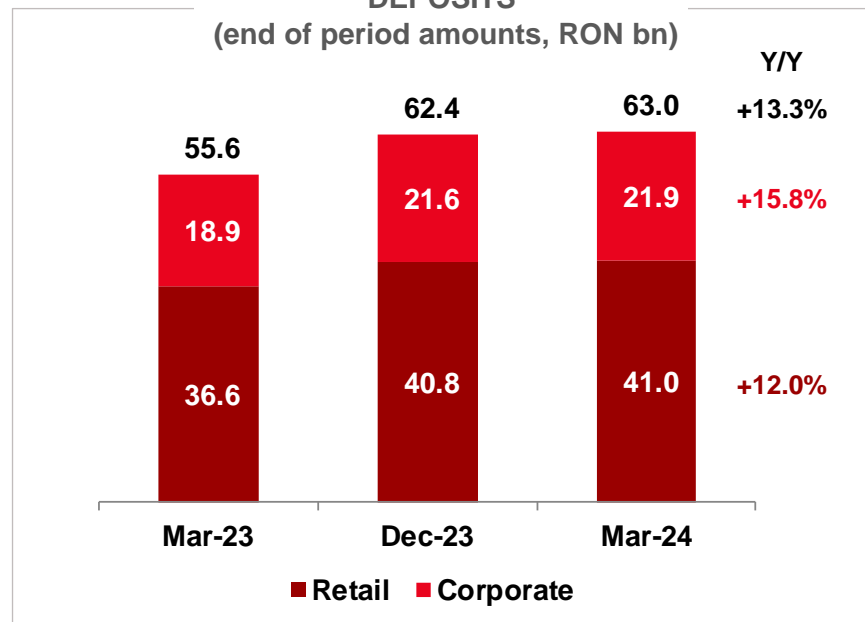
- ✓ 3rd place on Romanian UCITS market, with 20.3%* market share and RON 4.5 bn AUM, at Mar 24 end (+32% y/y)
- ✓ 12 investment funds for over 145 ths clients across its

Active participation in Fidelis program, 30% average market share on the Romanian government bond issuance for individuals held in Q1 24

BRD Asigurari de Viata in top 4 life insurers

* based on total open-end funds assets under management

DEPOSITS
(end of period amounts, RON bn)



DYNAMIC VOLUMES, LEADING DRIVER OF REVENUES GROWTH

NII momentum, up +6.8% y/y in Q1 2024 amid positive volume effect following growth of both retail and corporate loans

- ✓ corporate loans outstanding, + 20.4% y/y at Mar 24 end
- ✓ core retail loans outstanding, +8.2% y/y at Mar 24 end

...while interest rates effect turned into negative contributor given the gradual downward adjustment of market rates

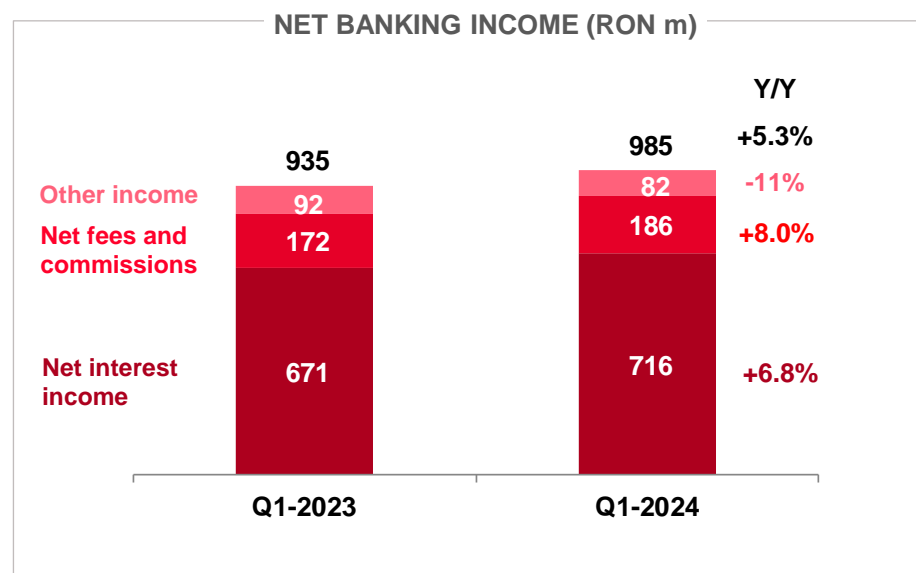
- ✓ avg. ROBOR 3M (6.11% in Q1 24 vs 7.10% in Q1 23)

NFC, up by +8.0% y/y in Q1 2024, mainly explained by:

higher revenues from transfers, cards and capital market activities, and increased contribution from off balance commitments

...tempered by lower revenues from OTC withdrawals linked to increasing digital penetration and contraction in fees on current accounts outside packages

Stable other income (vs a particularly dynamic Q1 2023) excluding one-off limited provision



PERSISTENT INFLATION PRESSURE, BUT COSTS REMAINED UNDER STRICT OVERSIGHT

OPEX, +4.2% y/y in Q1 24, reflecting disciplined approach to spending

Staff expenses increase (+9.3% y/y in Q1 24), linked to price effect and higher benefits within an inflationary environment and intensely competitive talent market

...partially moderated by headcount reduction, given optimization of network

Compensating effects of regulatory costs during Q1 24

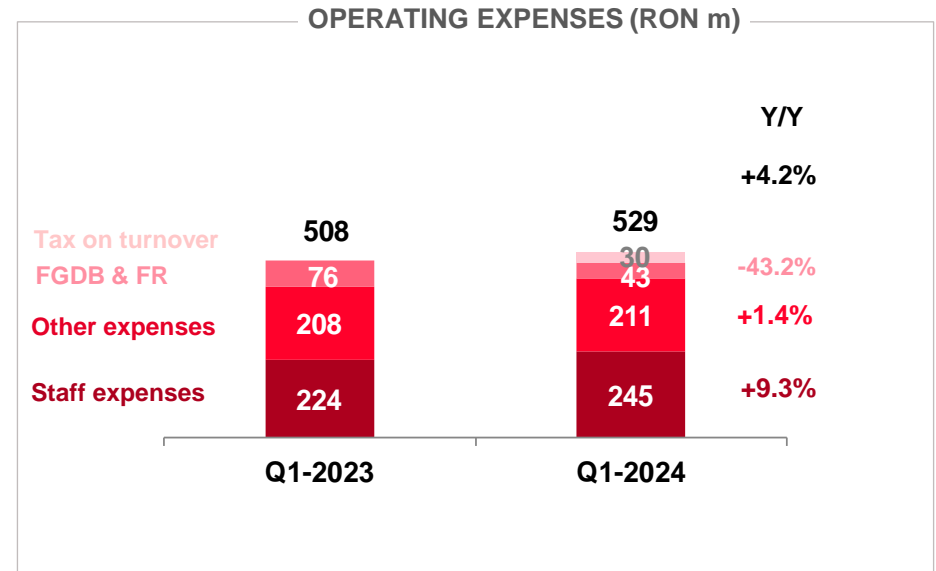
Lower contributions to Deposit Guarantee and Resolution Funds, but enforcement of the new levy tax of 2% on turnover (estimated at RON 30m/ quarter)

Other expenses' slight increase reflects strict costs' control, while supporting continuous investments for our digital platform

GOI growth, +6.5% y/y in Q1 24, building on dynamic volumes and below inflation costs' increase

Slightly improved C/I on positive jaws effect

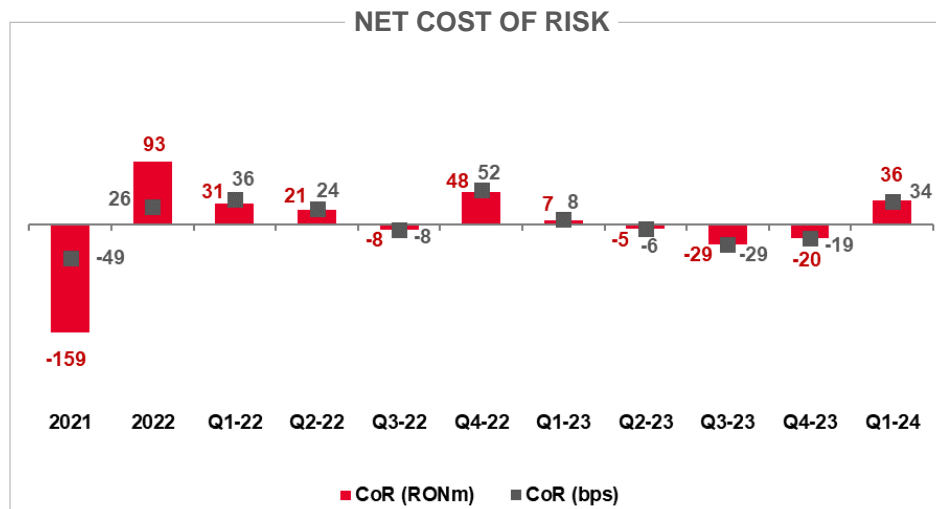
53.8% in Q1 24 vs 54.3% in Q1 23



STABILIZING CREDIT QUALITY INDICATORS

Net cost of risk at +34 bps in Q1-24

Cost of risk linked to commercial advances on Retail while Corporate continues to benefit from NPL recoveries

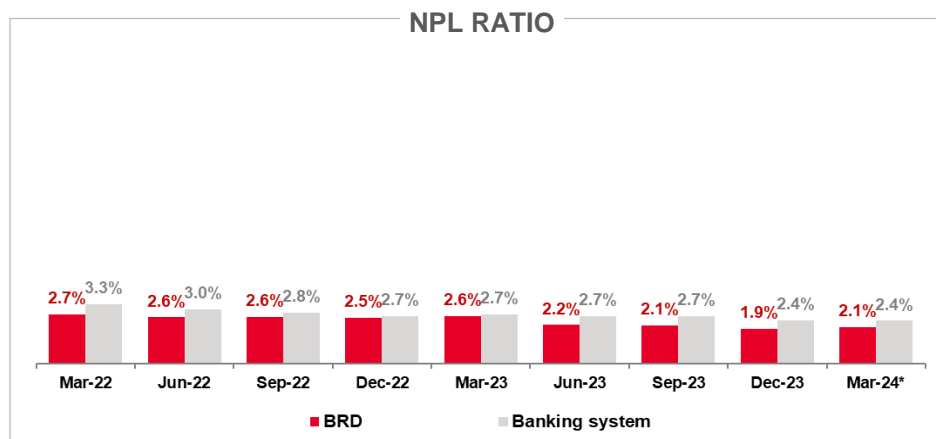


*Note: CoR (bps) in quarter is annualized

NPL ratio and Outlook

NPL rate stable around ~2%

Solid NPL coverage ratio, comfortably at 76%



* NPL for Banking System as of February 2024

Notes: NPL computed acc. to EBA risk indicator AQT_3.2

NPL coverage computed acc. to EBA risk indicator AQT_41.2

All figures at individual level



STRONG CAPITAL POSITION, MREL COMPLIANCE ENSURED

Solid high quality capital base

CAR of 24.1% at March 2024 end

Regulatory own funds composed of Tier 1 and Tier 2 capital

Tier 2 capital consists of EUR 250m subordinated loans

The year on year variation of own funds driven by:

- ✓ incorporation of 50% of 2023 net profit
- ✓ positive influence of lower negative revaluation reserves of debt instruments accounted at fair value through other comprehensive income

...partially reduced by dividend distribution (50% of 2022 net profit, approved by GSM in Dec 23)

Total risk exposure amount variation explained by:

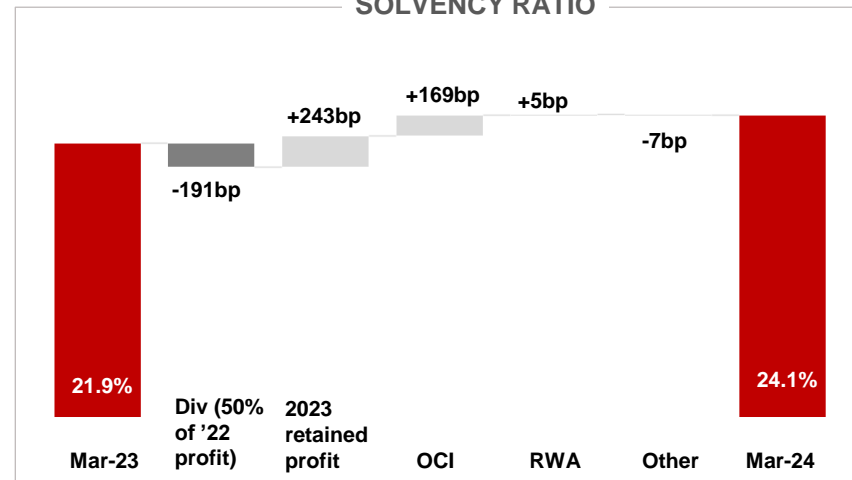
- ✓ dynamic lending activity
- ✓ RWA relief given innovative synthetic securitization transaction with IFC (member of the World Bank Group) on a reference corporate portfolio of EUR 700 m

Balance sheet meeting MREL requirement

MREL at 37.2% (% of TREA) at Mar 2024 end

*MREL at sub-consolidated level, preliminary data as of March 2024 end
TREA = Total risk exposure amount*

SOLVENCY RATIO



Bank only	Mar-23	Dec-23	Mar-24
Common Equity Tier 1 (RONm)	6,109	6,859	6,824
Tier 1 (RONm)	6,109	6,859	6,824
Tier 2 (RONm)	1,237	1,244	1,242
Total own funds (RONm)	7,346	8,103	8,066
Total risk exposure amount (RONm)	33,577	35,291	33,513
Tier 1 Ratio	18.2%	19.4%	20.4%
Total Capital Ratio	21.9%	23.0%	24.1%

*Note:
CAR as of Mar 2024 end is preliminary
Own funds at Mar 24 end include 50% of 2023 net profit*

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CONCLUSIONS



1ST QUARTER 2024: COMMERCIAL ACTIVITY MAINTAINED STRONG TRACK

- **1ST quarter 2024 results reflecting BRD's strength and capacity to deliver value**
 - ✓ **Lending activity, up +12.3% y/y, building on strong commercial performance across the board**
 - +20.4% advance of corporate loans outstanding, benefiting from long-term relationship and sound market reputation**
 - Loan production on individuals taps record levels, enjoying growth on both housing and consumer**
 - ✓ **Landmark synthetic SRT transaction with IFC, enabling BRD to free up capital in order to boost the financing of impactful sustainability-related projects in Romania**
 - ✓ **Diversified and steadily increasing deposit base, +13.3% y/y**
 - ✓ **Further intensified digital adoption, ~1.5 m users of YouBRD mobile application, +28% y/y at Mar 24 end**
- **Solid financial results**
 - ✓ **Higher operating performance and positive jaws effect**
 - ✓ **Risk costs' reflecting a closer to "through the cycle" level; asset quality ratios remained at sound level**
 - ✓ **High profit level, RON 326m and solid ~15% ROE in Q1 24**
- **Comfortable capital and liquidity standing, solid fundamentals to support lending capacity, further enforced by innovative partnership with IFC**

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Q&A SESSION



GRUPE SOCIETE GENERALE

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APPENDIX

BRD GROUP – KEY FIGURES
BRD STANDALONE - KEY FIGURES
BRD STOCK PRICE PERFORMANCE
FINANCIAL CALENDAR FOR 2024
GLOSSARY – CLIENT SEGMENTATION



GRUPE SOCIETE GENERALE

BRD GROUP | KEY FIGURES

		RON m	Q1-2024	Q1-2023	Change
Financial results	Net banking income		985	935	+5.3%
	Operating expenses		(529)	(508)	+4.2%
	Gross operating income		455	427	+6.5%
	Net cost of risk		(54)	(9)	5.7x
	Net profit		326	342	-4.6%
	Cost/Income		53.8%	54.3%	-0.5 pt
	ROE		14.5%	18.8%	-4.3 pt

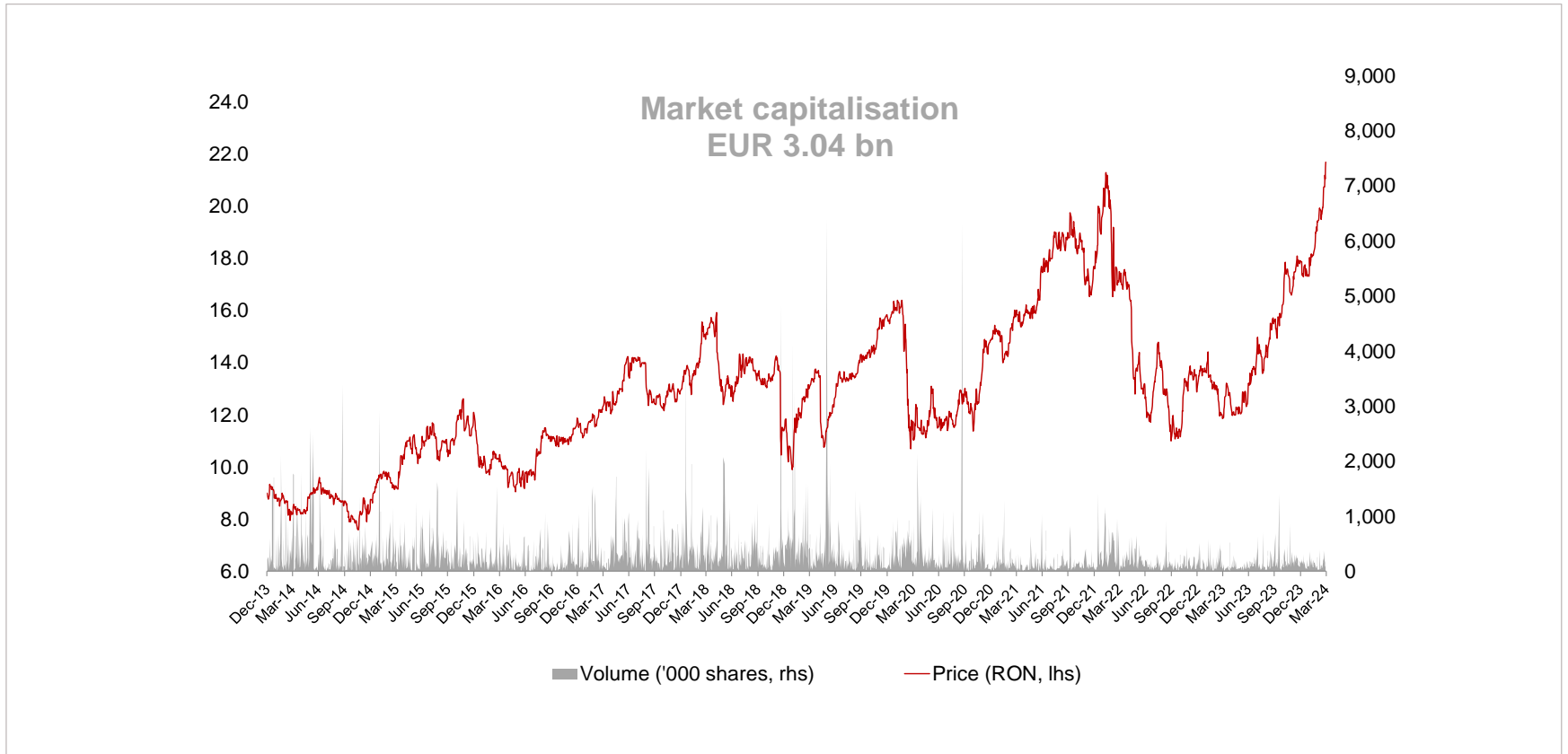
		RON bn	Mar-24	Mar-23	vs. Mar 23
Loans and deposits	Net loans including leasing (RON bn)		43.4	38.7	+12.3%
	Retail		25.8	24.0	+7.4%
	Corporate		17.6	14.6	+20.4%
	Total deposits (RON bn)		63.0	55.6	+13.3%
	Retail		41.0	36.6	+12.0%
	Corporate		21.9	18.9	+15.8%
	Loan to deposit ratio		69.0%	69.5%	-0.6 pt

BRD STANDALONE | KEY FIGURES

	RON m	Q1-2024	Q1-2023	Change
Financial results	Net banking income	942	893	+5.4%
	Operating expenses	(511)	(487)	+5.0%
	Gross operating income	431	407	+5.9%
	Net cost of risk	(36)	(7)	5.2x
	Net profit	322	333	-3.2%
	Cost/Income	54.3%	54.5%	-0.2 pt
	ROE	15.0%	19.3%	-4.3 pt
Loans and deposits	RON bn	Mar-24	Mar-23	vs. Mar 23
	Net loans (RON bn)	41.2	36.4	+13.2%
	Retail	25.0	22.9	+9.1%
	Corporate	15.8	13.5	+17.3%
	Total deposits (RON bn)	63.1	55.8	+13.2%
	Retail	40.8	37.1	+9.9%
	Corporate	21.9	19.8	+10.4%
	Loan to deposit ratio	65.3%	65.3%	0.01 pt
Capital adequacy	CAR	24.1%	21.9%	+2.2 pt
Franchise	No of branches	391	451	-60

CAR at Mar 2024 end is preliminary. Own funds at Mar 2024 end include 50% of 2023 net profit

BRD | STOCK PRICE PERFORMANCE



- BRD is part of the main market indices on the Bucharest Stock Exchange
- BRD's share price reached RON 21.7 as of March 2024 end, up by +82.7% y/y

FINANCIAL CALENDAR FOR 2024

8th February: Preliminary 2023 financial results

25th April: General Shareholders Meeting for approving the 2023 annual financial results

2nd May: Presentation of 1st quarter 2024 financial results

1st August: Presentation of 2nd quarter and 1st half 2024 financial results

31st October: Presentation of 3rd quarter and 9 months 2024 financial results

- The **Retail** category is comprised of the following customer segments:
 - **Individuals** – BRD provides individual customers with a range of banking products such as: savings and deposits taking, consumer and housing loans, overdrafts, credit card facilities, funds transfer and payment facilities.
 - **Small business** – business entities with annual turnover lower than EUR 1m and having an aggregated exposure at group level less than EUR 0.3m. Standardized range of banking products is offered to small companies and professionals: savings and deposits taking, loans, transfers and payment services.
- The **Corporate** category is comprised of the following customer segments:
 - **Small and medium enterprises** - companies with annual turnover between EUR 1m and EUR 50m and the aggregated exposure at group level higher than EUR 0.3m. The Bank provides SMEs with a range of banking products such as: savings and deposits taking, loans and other credit facilities, transfers and payment services.
 - **Large corporate** - within corporate banking BRD provides customers with a range of banking products and services, including lending and deposit taking, provides cash-management, investment advices, securities business, project and structured finance transaction, syndicated loans and asset backed transactions. The large corporate customers include companies with annual turnover higher than EUR 50m, municipalities, public sector and other financial institutions.



BRD GROUPE SOCIETE GENERALE - INVESTOR RELATIONS

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